(d) if not, the reasons therefor;

(e) whether Government have conducted any survey in this regard; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (f) The Department of Industrial Policy & Promotion has requested the Planning Commission to identify clear cut empirical criteria to define industrial backwardness and undertake a comprehensive survey to rank all the districts on the parameters of industrial backwardness. Concerted efforts are being made by State and Central Governments for industrial development of backward areas under various schemes *inter-alia* providing for fiscal concessions, improved industrial infrastructure and a conducive investment climate for setting up of industries. Department of Industrial Policy & Promotion is implementing the Growth Centre Scheme, Industrial Infrastructure Upgradation Scheme, North-East Industrial Policy Package, Special Category States Package and Industrial Park Scheme to promote industrial development.

Review of FDI in retail trade

874. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the policy on Foreign Direct Investment in retail trade is under review; and

(b) what are the merits and demerits of FDI in retail trade?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) The Policy on Foreign Direct Investment (FDI) is reviewed on a continuing basis. Inter-Ministerial consultations on policy issues is an on-going process. The policy was comprehensively reviewed in 2006 and the revised policy for FDI was notified. In the retail trading sector, FDI was permitted in Single Brand Product Retailing. Besides, change of route for FDI in wholesale/cash & carry and export trading was also notified.

(b) FDI is a means to supplement and complement domestic investment for achieving a higher level of economic development. FDI in organised retailing would bring in investments and provide access to modern technology and best practices not only in retailing but also in related support services, and in developing supply chain logistics. This is also expected to encourage sourcing of goods from India by such retail chains for their global operations. However, any policy initiative can evoke divergent views and concerns which, if found legitimate, can be addressed through suitable safeguards.

FDI in Retail Trade

875. SHRI SURENDRA LATH:
SHRI JANARDHANA POOJARY:
SHRI T.T.V. DHINAKARAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have any proposal to allow more than 50 per cent FDI in retail market;

(b) if so, the goods-wise details in that regard, alongwith the reasons for allowing such huge FDIs in retail market;

(c) whether it is going to harm the interest of small domestic retailers and marketeers, who were earning their livelihood through retail sale; and

(d) how Government would ensure that the interests of domestic retailers and domestic markets are not harmed and Indian markets are not dumped with foreign goods?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Foreign Direct Investment (FDI) policy, including policy in Retail Sector is reviewed on a continuous basis. The policy on FDI in retail trading was last notified *vide* Press Note 3 and 4 (2006 series) both dated February 10, 2006. As per the extant policy, FDI in retail trading is allowed only in the retail of 'Single Brand Products' upto 51% with prior Government approval and subject to the following conditions: